



COVID-19 & Aging Services
A LeadingAge Situation Report
(10/29/20)

The Coronavirus Threat to Older Adults

The Growing Threat of COVID-19 in America's Communities

- More than [8.7 million Americans](#) have contracted COVID-19, and there are more than [73,000 new cases each day](#).
- Coronavirus infection rates are rising in [37 US states](#).
- More than [225,000](#) Americans have died of the coronavirus, and the toll is expected to [reach up to 247,000](#) by the week ending November 14.

Caring for America's Older Population

- 1 in 6 Americans is [age 65+](#). That's 52 million people—more than 16% of the population.
- More than 8.3 million older adults use long term services and supports, served by more than 6 million workers of all types across settings. Older adult consumers of these services include:
 - [1,246,079 people in nursing homes](#)
 - 811,500 people in assisted living
 - 745,000 people in life plan communities
 - [3.4 million Medicare beneficiaries](#) accessing Medicare home health
 - [1.5 million Medicare beneficiaries](#) accessing hospice services
 - [286,300 older adults attending](#) adult day services on any given day
 - [958,000 older adults receiving](#) Medicaid-funded home-and-community-based services
 - 2.5 million older adults living in federally assisted affordable senior housing
- LeadingAge represents 5,000 nonprofit aging services providers, including [nursing homes, assisted living, home health, hospice and affordable housing communities](#) across the U.S.
- Aging services providers have struggled to obtain adequate and consistent access to testing, PPE or staffing, and the federal government has failed to provide sufficient resources needed to safeguard older Americans and their care providers during this pandemic.

The Mortal Threat to America's Older Population

- 80% of all COVID-19 deaths are among people 65+—a death rate at least [90 times higher](#) than for 18-29 year-olds.
- More than [163,000 COVID-19 deaths](#) were among people 65+ by October 21.
- [More than 260,000](#) nursing home residents have been diagnosed with COVID-19, and more than 60,000 have died.
- Nursing homes with higher numbers of Black or Hispanic residents [have been disproportionately affected by COVID-19](#), as measured by the share of nursing homes reporting deaths, share

reporting cases, and the severity of outbreak.

- 80% of nursing homes have had at least one COVID-19 case according to University of Chicago researchers.
- Rates of depression and anxiety [are high among adults ages 65 and older](#) relative to 2018 rates, with one in 4 reporting anxiety or depression during most weeks since the pandemic's start.

Testing Needs

Testing Needs Among Older Adults & Care Providers

- Aging services providers need ongoing access to accurate rapid-results testing, including antigen and PCR tests, delivered as part of a national testing strategy, as well as the resources to pay for tests and ongoing testing.
- The federal government has not yet provided adequate levels of desperately needed resources to enable the regular, ongoing testing of older adults and care workers in all aging services settings.
- Providers working in care settings that must meet testing mandates are sometimes forced to navigate multiple mandates on testing—federal, state, and local—which can result in confusion and duplicative efforts.

Test Availability

The Administration has provided some patchwork testing resources to some aging services providers, including nursing homes, assisted living and hospice. There is still no coordinated national testing strategy for aging services, which would address all settings and staff.

- BD or Quidel antigen [testing machines have been sent](#) to 14,000 certified nursing homes. Only 1-2 weeks of testing supplies were sent for use with the delivered antigen machines. The majority of machines sent, by BD, have a limited life expectancy of 3,000 tests or maximum of 34 months from date of manufacture.
- 150 million Abbott BinaxNOW one-time use tests [are being distributed by HHS](#); 49 million are designated for aging services providers, including home health and hospice agencies, nursing homes and assisted living.
 - Nursing homes will get 18 million of these; [7.3 million have been delivered](#). For a nursing home with 300 staff that test twice a week, their allotment would only last 1-2 weeks.
 - Assisted living providers will get 15 million; [2.4 million have been delivered](#)
- Other settings where older adults live, like affordable senior housing, independent living communities, and community-based services, have been relatively ignored.

Testing Costs

Aging services providers must locate and pay for much of their testing-related resources and activities, including test supplies, shipping PCR test samples to labs, and hiring or training staff to perform the tests, as well as the PPE that must be used while administering the tests. With no end to the pandemic in sight, these costs—for tests alone—are unsustainable.

- [PCR tests, which are the only option for many providers, cost \\$100-\\$200](#)

- A one-time PCR test for every staff and resident in nursing homes and assisted living alone would cost [\\$672 million](#).
- Antigen test kits from BD or Quidel, which cost [\\$20-25](#) each, must be purchased from the manufacturer (resupplies were not available for weeks, though the companies say they are available now). Expenses for antigen testing in a 150-bed nursing home can range from \$3,750-\$15,000 per week, depending on staffing levels and community COVID-19 rates.
- Additional supplies of Abbott BinaxNOW tests will have to be purchased for [\\$5/test](#) from the manufacturer, although inventory is not currently available (HHS is controlling distribution).
- Nursing homes and some assisted living must comply with costly [state](#) and federal testing regimens.

PPE Shortages and Costs

PPE Needs Among Older Adults & Care Providers

- Aging services providers need ongoing, reliable access to large quantities of PPE to stop COVID-19 from spreading.
- Aging services providers have been left largely on their own to acquire all types of PPE, including gloves, gowns, masks, eye protection, etc.
- Aging services providers are using an amount of PPE that is astronomically higher than before the pandemic. For example, one home health agency that used to use 6 gowns a month is now using 300 gowns a week, and affordable senior housing providers must buy PPE and cleaning supplies, never anticipated prior to the pandemic.

PPE Availability

- Many providers have managed to stockpile limited amounts of PPE, but it is not clear how long they will last in the face of rising infection rates and long-term needs.
- Across the country there have been [rolling shortages of various types of PPE](#) (the FDA began creating [lists of shortages](#)) that escalate prices. “There’s very much a ‘Groundhog Day’ feel to all of this,” says Professor David Grabowski.
- Wrote [two U.S. Senators](#) to Vice President Pence: “Your rosy assessments fly in the face of Centers for Medicare & Medicaid Services data collected weekly from over 15,000 nursing homes.”
- The organization Get Us PPE (a coalition of physicians, medical researchers, engineers, scientists, and programmers) notes that its PPE Shortage Index shows that “our country is [still facing serious PPE shortages](#).”

PPE Costs

- Some aging services providers say they are spending [a year’s worth of their PPE budget in one month alone](#). This is not sustainable.
- A leading supplier estimates PPE products are now [4-8 times more expensive](#) than before COVID-19, especially gowns and masks.
- Some aging services providers, like affordable senior housing providers, had no prior budget or pipeline for PPE and have had to develop those without federal assistance.

- A study by LeadingAge Washington showed the kinds of [PPE cost increases that nursing homes have had to absorb](#): 24%-37% for gloves, 190% for eye protection, 285% for surgical masks and 386% for gowns.
- Noted the director of LeadingAge Oklahoma: “Providers’ PPE costs alone have amounted to more spent in one month than in an entire year pre-COVID-19. For a facility with 100 staff, test kits alone would be approximately \$15,000 per month, not to mention the staff time to test, record, and report results. Many providers are now concerned about their financial viability. The lives of these residents will be compromised if we don’t have adequate funding.”
- Affordable senior housing providers, covered under the CARES Act, are just beginning to receive relief funds, several months after enactment.

Ineffective Initial Federal Response

- Limited PPE supplies have been provided by FEMA and HHS. The PPE distribution plan launched by FEMA started 3-4 months into the pandemic, and delivered paltry amounts of PPE, much of which was unusable. For example, FEMA provided just *two weeks* worth of PPE, potentially allowing COVID-19 to proliferate in senior care settings.
- Much of the HHS-provided PPE was [expired](#), defective, or otherwise [useless](#). Some masks were even labeled “Do not use with COVID patients.”
- Five full months into the pandemic, the newspaper Roll Call [reported](#) a “national shortage” of “critical personal protective equipment such as surgical gowns and masks.”
- In late summer, one in five nursing homes reported “[severe shortages](#)” of staffing and PPE.
- Some care workers resorted to wearing trash bags for protection; one nursing home relied on someone known as “[Parking Lot Guy](#)” for desperately needed PPE.

Workforce Crisis

Staffing Shortages Among Aging Services Providers

- By the middle of the year [1 in 5 nursing homes reported staff shortages](#).
- [In July](#), an Arizona LeadingAge executive noted: “Every one of our members is short on staffing. Many staff are working 70-plus hours a week.”
- [In August](#), an Indiana nursing home CEO reported that pandemic pay for staff was costing as much as \$45,000 extra a month.
- [In September](#), an Iowa nursing home CEO said, “The burden is a daily constant, and we are losing good people due to the pressure of COVID. The mental and physical fatigue of our care workers and organization will challenge our ability to effectively fight the virus and without additional significant funding for our employees, testing, and PPE. Without more federal funding it’s not sustainable.”
- In October, [as the country’s case numbers surpass summer peaks](#) to reach new highs, particularly in the Midwest, concerns about staff shortages and exhaustion are growing. “With the increasing number of employees testing positive, there isn’t sufficient staff available. What’s more, staff fatigue after 8 months of a very challenging environment is a real concern for the months and weeks ahead,” said LeadingAge Oklahoma executive director.
- As COVID-19 has ravaged nursing homes, it has also made working in these facilities [the most dangerous job in America](#).

- In at least 15 states and Puerto Rico, from [Indiana](#) and [Wisconsin](#) to [Georgia](#), the [National Guard](#) has been called in to help with testing, infection control and visitor screening so staff can focus on care.

Financial Crisis

Financial Strain Among Aging Services Providers

Aging services providers continue to face exponential expenses from testing, PPE, staffing, cleaning and other ongoing costs, while revenues have fallen substantially for many.

- [Nursing homes and assisted living across the country](#) are reporting operating losses of several hundred thousand dollars a month or more, and many affordable senior housing providers have COVID-related expenses far beyond their means.
- In nursing homes, short-stay/rehab admissions are falling as the volume of surgeries and medical care has declined and hospitals discharge patients to home care settings. At the same time, long-term care admissions have fallen as families have stopped bringing their older relatives to nursing homes.
- A continuing care retirement community in Virginia incurred \$3 million in COVID-related expenses in its most recent fiscal year. For the coming year, beginning Oct. 1, the organization expects to spend \$3 million in COVID-related expenses (including testing, PPE, and staff pay).
- Adult day services centers in many states have been forced to close and have seen their revenue streams dry up as a result. Some states have allowed these providers to re-open to in-person services, but often restrict attendance to limited capacities (e.g., 50% of pre-pandemic attendance).
- Home health, hospice, PACE organizations, and residential settings like assisted living have also faced significant new financial pressure. PACE organizations are ineligible for federal dollars despite providing critical health and long-term care to their participants.
- Congress has yet to provide the resources undeniably needed by affordable senior housing providers to ensure service coordination for residents and for residents to be able to virtually connect to needed support and services.

A Closer Look at Nursing Homes Struggling to Stay Afloat

- The pandemic has triggered revenue losses of [up to 23%](#) in nursing homes, and nursing homes have begun to close.
- Almost $\frac{3}{4}$ of nursing homes (72%) [reported](#) they will be unable to maintain operations for another year at this rate—and 40% said they would last less than six months.
- [New federal testing mandates](#) for nursing homes went into effect in late August. To comply, a provider needs working testing equipment, adequate supplies, enough trained staff to administer testing and reporting—and the funds to pay for all of it, now and in the months to come.
- The government says it will impose civil fines for not reporting positive and negative results—even though the government’s assistance with testing supplies and funds would only offset a portion of the costs. This mandatory testing and subsequent reporting is a herculean task for nursing homes that are already fighting COVID, navigating a staffing crisis and operating at a financial deficit.

- As nursing homes face insurmountable financial losses due to the pandemic, some are having to make the difficult decision to close, including LeadingAge member [Estes Park Health Living Center](#).

A Closer Look at Affordable Senior Housing Providers

According to an [October 2020 LeadingAge survey of affordable senior housing providers](#):

- Almost 60% of respondents report COVID cases.
- 84% consider resident social isolation and access to services to be the top challenge in the next three months.
- 69% say they are ‘cost-burdened’ or ‘severely cost-burdened’ from having to pay for PPE, cleaning supplies, thermometers, and other screening tools.
- Other survey findings show that many providers are also facing staffing challenges, maintenance backlogs, and occupancy issues.
- “We’ve had to pay thousands and thousands of dollars for unbudgeted items, costs that are solely attributable to COVID-19 response -- touchless thermometers, face masks, PPE, hand sanitizer, additional sanitizer to clean buildings; increased labor costs; not to mention plexiglass used to create safe spaces,” said one California-based LeadingAge provider of affordable housing. “These expenses are not insignificant for an affordable housing provider that is neither skilled nursing nor assisted living. And these are above and beyond our HUD-approved operating costs. Our 2020 budget’s been blown up and unfortunately relief funds from the CARES Act far from cover our additional expenses.”

Federal Support Slated to End In A Few Short Months

Without new relief money from Congress, aging services providers will be left out in the cold.

- Funding for aging services and other health care providers has been provided by Congress and delivered by the Administration (i.e., Provider Relief Funds, Paycheck Protection Program and more).
- The patchwork financial resources allocated to aging services providers through the CARES Act, the PPP and other vehicles are essentially accounted for and will help to cover some of the extraordinary expenses racked up over the past 8 months. But the pandemic continues, and with it ongoing expenses, revenue shortfalls, and staffing concerns remain.